

## Message Text

LIMITED OFFICIAL USE

PAGE 01 GENEVA 04413 01 OF 02 221827Z  
ACTION STR-07

INFO OCT-01 STRE-00 ISO-00 IO-13 AGRE-00 CEA-01  
CIAE-00 COME-00 DODE-00 EB-08 FRB-03 H-01 INR-10  
INT-05 L-03 LAB-04 NSAE-00 NSC-05 PA-01 CTME-00  
AID-05 SS-15 ITC-01 TRSE-00 USIA-06 SP-02 SOE-02  
OMB-01 DOE-15 OIC-02 AF-10 ARA-10 EA-10 EUR-12  
NEA-10 /163 W

-----087611 221833Z /43

P 221759Z MAR 78  
FM USMISSION GENEVA  
TO SECSTATE WASHDC PRIORITY 7556

LIMITED OFFICIAL USE SECTION 01 OF 02 GENEVA 04413

USMTN

STR FOR ACTION

STR PASS CODEL

E.O. 11652: N/A  
TAGS: MTN, ETRD  
SUBJECT: GOVERNMENT PROCUREMENT SUBGROUP MEETING  
- MARCH 20-21

1. SUMMARY: GOVERNMENT PROCUREMENT (GP) SUBGROUP MEETING, MARCH 20-21, CAPPED PREVIOUS WEEK OF CONTINUOUS ROUNDS OF BILATERAL AND PLURILATERAL SESSIONS. MAJOR ACCOMPLISHMENT OF MEETING WAS CONSENSUS ON DISPUTE SETTLEMENT (DS) WITH AGREEMENT BY SUBGROUP TO REPLACE FOUR CURRENT PROPOSALS ON DS WITH A SINGLE TEXT. MOVEMENT ALSO TRANSPIRED IN AREA OF EX POST INFORMATION WITH TABLING OF NORDIC COMPROMISE. END SUMMARY.

2. DISPUTE SETTLEMENT - WORK IN DISPUTE SETTLEMENT  
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 GENEVA 04413 01 OF 02 221827Z

PROGRESSED QUICKLY. MAJOR PARTICIPANTS (US, EC, CANADA, JAPAN, NORDICS) AGREED IN PLURILATERAL SESSION TO DRAFT CONTRACTUAL LANGUAGE TO REPLACE FOUR APPROACHES CURRENTLY IN DRAFT CODE (MTN/NTM/W/133). OUTLINE OF DISPUTE SETTLEMENT AGREED IN STANDARDS SUBGROUP WEEK OF MARCH 6 (MTN/NTM/W/144) WAS USED AS BASIS OF DISCUSSION AND DRAFTING. SUBGROUP LATER ACCEPTED

PLURILATERAL GROUP DRAFT AS BASIS FOR NEGOTIATION. DS LANGAUGE (MTN/NTM/W/146) BEING HAND-CARRIED TO WASHINGTON BY PRUIETT. SWISS DEL (LEMPEN) SUBMITTED A PAPER OUT-LINING GOS IDEAS ON DISPUTE SETTLEMENT WHICH ARE SOMEWHAT DIFFERENT FROM AGREED TEXT. SWISS DID NOT IMPEDE PROGRESS ON DISPUTE PAPER BUT, SUPPORTED BY ISRAELI DEL, MERELY ADDED A FOOTNOTE INDICATING THEIR RESERVATIONS AND DESIRE TO DISCUSS GOS PAPER AT AN APPROPRIATE TIME.

3. TRANSPARENCY - OTHER MAJOR TOPIC OF DISCUSSION CONCERNED QUESTION OF EX POST PUBLICITY. NORDIC DEL (LEMMEL) TABLED A "COMPROMISE" (MTN/NTM/W/147) IN HOPES OF PROGRESSING IN THIS AREA. NORDIC PROPOSAL ESSENTIALLY CONSISTS OF PARAS 1,2,4 AND 5 OF CURRENT INFORMATION SECTION IN DRAFT CODE W/133 AND OF PARAS 3 AND 7 OF U.S. PROPOSAL - PAGE 23 OF W/133. PARA 3 OF INFORMATION SECTION IS REPLACED WITH THE FOLLOWING:

BEGIN TEXT:

BEGIN BRACKETS IF AN ENTITY IS UNABLE TO PROVIDE TO AN UNSUCCESSFUL TENDERER THE REQUESTED EXPLANATION FOR REJECTION OF A TENDER IT SHALL SO ADVISE THE TENDERER CONCERNED. THE SIGNATORY OF THE UNSUCCESSFUL SUPPLIER LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 GENEVA 04413 01 OF 02 221827Z

MAY THEN, WITHOUT PREJUDICE TO PARAGRAPH B.1 (MTN/NTM/W/146) OF PART VII, INTERVENE WITH THE SIGNATORY OF THE PROCUREMENT ENTITY TO SEEK SUCH ADDITIONAL INFORMATION ON THE CONTRACT AWARD AS TO ENSURE THE PURCHASE WAS MADE FAIRLY AND IMPARTIALLY. IN SUCH CONSULTATIONS SIGNATORIES SHALL PROMPTLY BEGIN BRACKETS ENDEAVOUR TO END BRACKETS SUPPLY ALL INFORMATION RELEVANT TO THE EXAMINATION OF THE CONTROVERSY, BEGIN BRACKETS INCLUDING NAME OF WINNER AND WINNING CONTRACT AMOUNT. END BRACKETS END BRACKETS

END TEXT.

4. NORDIC COMPROMISE SUPPORTED BY EC, SWITZERLAND, AND JAPAN. CANADIAN DEL (CLARK) INDICATED THAT GOC THINKING WAS MOVING TOWARD CONCEPTS SIMILAR TO THAT TABLED BY NORDICS. CANADIAN DEL, HOWEVER, WAS UNABLE AT THIS TIME TO ACCEPT THE NORDIC COMPROMISE AND, AS TACTICAL MOVE, TABLED ITS OWN PROPOSAL (MTN/NTM/W/148) BASED ON CURRENT INFORMATION SECTION OF DRAFT GP CODE WITH PARA 3 REDRAFTED.

5. EC DEL (DERISBOURG) PRIVATELY INDICATED THAT THE COMMISSION IS CONSIDERING A THREE-PART "PACKAGE" TO NARROW DIFFERENCES ON TRANSPARENCY, DISPUTE SETTLEMENT, AND SINGLE TENDERING. FOR TRANSPARENCY, EC IS WILLING TO USE NORDIC TEXT, INCLUDING PROVISION TO GOVERNMENT OF NAME AND VALUE OF WINNING BIDDER. FOR DISPUTE SETTLEMENT, EC WILL WORK WITH AGREED DRAFT TEXT. SINGLE TENDERING WAS DISCUSSED PRIVATELY WITH EC AND BEING REPORTED SEPTEL.

6. JAPAN REPRESENTED DURING THE WEEK BY LARGE DELEGATION FROM TOKYO WHICH CARRIED DETAILED NEW INSTRUCTIONS FOR PROCUREMENT NEGOTIATIONS. JAPANESE DEL (ABE) EXPRESSED EXTREMELY CAUTIOUS POSITION ON EX ANTE TRANSPARENCY. LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 GENEVA 04413 01 OF 02 221827Z

WHILE REITERATING SUPPORT FOR CONCEPTS OF NATIONAL

LIMITED OFFICIAL USE

NNN

LIMITED OFFICIAL USE

PAGE 01 GENEVA 04413 02 OF 02 221831Z  
ACTION STR-07

INFO OCT-01 STRE-00 ISO-00 IO-13 AGRE-00 CEA-01  
CIAE-00 COME-00 DODE-00 EB-08 FRB-03 H-01 INR-10  
INT-05 L-03 LAB-04 NSAE-00 NSC-05 PA-01 CTME-00  
AID-05 SS-15 ITC-01 TRSE-00 USIA-06 SP-02 SOE-02  
OMB-01 DOE-15 OIC-02 AF-10 ARA-10 EA-10 EUR-12  
NEA-10 /163 W

-----087648 221840Z /43

P 221759Z MAR 78  
FM USMISSION GENEVA  
TO SECSTATE WASHDC PRIORITY 7557

LIMITED OFFICIAL USE SECTION 02 OF 02 GENEVA 04413

USMTN

STR FOR ACTION

STR PASS CODEL

TREATMENT AND NONDISCRIMINATION, JAPAN SEEKS FLEXIBILITY REGARDING HOW THEY ARE APPLIED. IN PARTICULAR, JAPAN OPPOSES GIVING PRIOR PUBLIC NOTICE OF INDIVIDUAL SELECTIVE TENDERS BECAUSE THIS WOULD REQUIRE MAJOR CHANGES IN JAPANESE PRACTICES. JAPANESE VIEW WAS STRONGLY OPPOSED BY U.S. DEL, AND LATER OTHER MEMBERS OF PLURILATERAL GROUP, WHO NOTED THAT ALL SIGNATORIES WILL HAVE TO CHANGE CURRENT PRACTICES.

7. U.S. DEL (NEWKIRK) NOTED THAT U.S. POSITION ON EX POST INFORMATION REMAINED ON TABLE BUT THAT NORDIC AND CANADIAN PROPOSALS WOULD BE CAREFULLY STUDIED. COMMENT: MTN HAS BEEN WORKING INTERNALLY WITH WASHINGTON MEMBERS OF DELEGATION TO DETERMINE WHETHER CONCEPTS IN NORDIC COMPROMISE COULD BE MODIFIED IN SUCH A WAY LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 GENEVA 04413 02 OF 02 221831Z

TO BE ACCEPTABLE TO USG. MTN DEL BELIEVES NORDIC PROPOSAL REPRESENTS ACCEPTABLE STARTING POINT FOR SETTLEMENT OF EX POST INFORMATION ISSUE. DETAILED RECOMMENDATION WILL FOLLOW SEPTEL WITH PRELIMINARY DRAFT HAND-DELIVERED TO WASHINGTON BY SPIRO. END COMMENT.

8. BRAZIL WAS REPRESENTED AT SUBGROUP MEETING BY TWO OFFICIALS FROM BRASILIA (CYRO CURY FROM MINISTRY OF FINANCE AND MELGUIADES AGUIRRE FROM BANK OF BRAZIL) WHO ARE IN GENEVA FOR DETAILED DISCUSSIONS ON CODE. BRAZIL INTENDS TO MAKE POLICY DECISION SOON REGARDING WHETHER TO PARTICIPATE IN DRAFTING, WITH INTENTION OF SIGNING CODE.

9. MEXICAN DEL (DELGADO) STATED HIS INTENTION TO ENGAGE IN INTENSIVE BILATERAL AND PLURILATERAL CONTACTS TO DEVELOP SINGLE DOCUMENT ON SPECIAL AND DIFFERENTIAL TREATMENT. OTHER DELS AGREED, AND WORK SHOULD BEGIN ON THIS ISSUE SHORTLY.

10. OVERALL, SIGNIFICANT PROGRESS, ESPECIALLY IN DISPUTE SETTLEMENT, WAS OBTAINED DURING DISCUSSIONS. NEXT INFORMAL SESSIONS WILL BEGIN WEEK OF APRIL 10 TO ATTEMPT TO SEEK COMPROMISE ON EX POST INFORMATION AND SINGLE TENDERING. NEXT SUBGROUP MEETING WAS LEFT OPEN TO DISCRETION OF CHAIRMAN IN CONSULTATION WITH DELEGATIONS.

11. DRAFTED BY SHELLEY/PRUIETT. MCDONALD

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** GOVERNMENT PROCUREMENT, DISPUTE SETTLEMENT, MEETING REPORTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 22 mar 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978GENEVA04413  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780126-0744  
**Format:** TEL  
**From:** GENEVA USMTN  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1978/newtext/t19780339/aaaabgjj.tel  
**Line Count:** 221  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** ff6ac1bf-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION STR  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 5  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 05 may 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** N/A  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 3242823  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** GOVERNMENT PROCUREMENT SUBGROUP MEETING - MARCH 20-21  
**TAGS:** ETRD, MTN  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odhc://SAS/SAS.dbo.SAS\_Docs/ff6ac1bf-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014